

# Medicare Prescription Drug Plans



Senior Health Insurance  
Information Program

## Ask SHIIP

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Area Program Manager

**Q:** I read that everyone should sign up for a Medicare prescription drug plan – then I've read that if I have money in the bank I am not eligible. Why sign up if you don't qualify?

**A:** Everyone with Medicare is eligible for the Medicare prescription drug plans regardless of income and assets. Extra help in paying premiums, co-pays and deductibles is available to those with incomes below \$14,355 (\$19,245 married) and assets below \$11,500 (\$23,000 married). Contact Social Security to apply.

**Q:** I am enrolled in the VA prescription drug program. However, I take a drug that is not covered by the VA. May I use coverage under a Medicare prescription drug plan for this drug without affecting my VA coverage?

**A:** Your veteran's benefits and coverage will not change if you enroll in a Medicare prescription drug plan.

You can consider enrolling in a Medicare plan to supplement your VA prescription drug benefits. The VA, just like the Medicare plans, uses a formulary so you may now or in the future take a medication that is not covered by the VA. Also some veterans will use doctors not associated with the VA for minor or serious conditions. For these prescriptions, a Medicare plan would provide you with coverage.

VA prescription drug coverage is considered to be as good as, or better than, Medicare prescription drug plans. If you decide to not sign up for a Medicare drug plan, but later change your mind, you will not have to pay a late enrollment penalty.

**Q:** In studying a plan I noted that prescriptions had to be picked up locally with 30-day refills. What if I am traveling or go south for the winter? Also, what if I want to change plans? Am I signed up for a specific length of time?

**A:** If you travel frequently, you might want to consider one of the many plans that offers mail order (a great way to save additional money). Some plans also offer coverage nationwide.

Generally you can cancel an enrollment, or sign up for a new plan, only during certain times. For instance, during

program start-up you can enroll from November 15, 2005 through May 15, 2006. Anyone going on Medicare for the first time will have an initial seven month enrollment period consisting of the three months before you become eligible for Medicare, the month you are eligible, and the three months after.

Beginning in 2006, annual enrollment will be open November 15 through December 31 with coverage beginning January 1<sup>st</sup> of the following year. Special enrollment periods may be triggered by events such as a move out of state or admission to a nursing home. Check with Medicare regarding your rights and the time frame for such changes. During these enrollment periods, all companies must take you regardless of your health, age or prescription usage.

Once you sign up you are committing to a plan for that calendar year. Since this is a new program, for 2006 only, Medicare will allow you to make one change between January 1 – May 15, 2006.

Source: [www.va.gov](http://www.va.gov)  
[www.medicare.gov](http://www.medicare.gov)

Address your questions to:

Ask SHIIP  
311 W. Washington St, Ste. 300  
Indianapolis, IN 46204  
Or [www.in.gov/idoi/shiip](http://www.in.gov/idoi/shiip)  
1-800-452-4800 to request a  
complete list of Prescription Drug  
Plans available in Indiana

Sign up for Medicare Prescription Drug Plans continues through May 15, 2006. Sign up by December 31, 2005 for coverage starting January 1, 2006.

SHIIP is a free, unbiased counseling program provided by the Indiana State Department of Insurance. For assistance, call your local SHIIP site to make an appointment or call the state office at 1-800-452-4800 to obtain a list of local SHIIP sites.